

# 'Indo-EU trade expected to grow'

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*THE European Union (EU), an economic and political union of 27 member states, is seeing green shoots sprouting after one of the worst slowdowns in living memory. It is in negotiations with the Indian government for a free trade agreement (FTA) to boost business relationship, Daniele Smadja, ambassador and head of delegation of the European Commission to India, told ET in an interview. Excerpts:*

## What has been the impact of global meltdown on bilateral trade?

India is suffering from low exports and same is the case with Europe as there is less demand. Because of the impact in 2009, we may not see big increase as we had in 2008, but the bilateral trade



is expected to grow. There are some positive signs of recovery for the first time, but we don't know whether they indicate the end of the tunnel.

## There is now an increase in protectionist measures in Europe against India?

At a time of economic meltdown, you need to boost the trade. We are very vigilant and continue to advocate that it should not be used. It is important to

maintain fair and free trade. Sometimes, there is pressure from the industry also. EU strongly commits not to use protectionist measures. The G20 countries (developing countries) have also committed themselves to conclude the negotiations of the World Trade Organisation (WTO) and not to use protectionist measures.

## What are the other steps taken to increase business?

We are setting up European business and technology centres in Bangalore, Delhi and Mumbai soon. These initiatives will boost government relations and also business for private players. We are also focusing on energy, transfer of technology and innovations. We are improving the export of Indian products to Europe. Some projects include research collaboration in the area of solar and renewable energy.

## Besides business, what are the other focus areas of EU in India?

We are also focusing on climate change and energy and will work closely with Indian government to prepare for the negotiations as part of Kyoto protocol. We are working together to eradicate poverty, providing support in the area of health care, education, livelihood and water.